

Assembly Bill No. 1406

CHAPTER 393

An act to amend Section 31529.9 of, and to add Section 31522.7 to, the Government Code, relating to county employees' retirement.

[Approved by Governor October 11, 2009. Filed with
Secretary of State October 11, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1406, Emmerson. County board of retirement: San Bernardino County.

The County Employees Retirement Law of 1937 authorizes the board of retirement of San Bernardino County, upon resolution by the board of retirement, to appoint specified management, investment, and legal personnel. These appointees are not classified as county employees and are therefore not subject to the civil service system, but are employees of that retirement system, subject to the terms of employment determined by the board of retirement.

This bill would enact similar provisions to extend the authority of the board of retirement in San Bernardino County, upon adoption by resolution, to appoint specified personnel outside the civil service system, including supervisors and employees with specialized training and knowledge in pension benefit member services, investment reporting compliance, investment accounting, pension benefit tax reporting, pension benefit financial accounting, pension law, and legal counsel. The bill would make a conforming change.

The people of the State of California do enact as follows:

SECTION 1. Section 31522.7 is added to the Government Code, to read:

31522.7. (a) In addition to the authority provided pursuant to Section 31522.5, the board of retirement in the County of San Bernardino may appoint an administrator, an assistant administrator, a chief investment officer, senior management employees next in line of authority to the chief investment officer, subordinate administrators, senior management employees next in line of authority to subordinate administrators, supervisors and employees with specialized training and knowledge in pension benefit member services, investment reporting compliance, investment accounting, pension benefit tax reporting, pension benefit financial accounting, pension law, and legal counsel.

(b) Notwithstanding any other provision of law, the personnel appointed pursuant to this section may not be county employees but shall be employees of the retirement system, subject to terms and conditions of employment

established by the board of retirement. Except as specifically provided in this subdivision, all other personnel shall be county employees for purposes of the county's employee relations resolution, or equivalent local rules, and the terms and conditions of employment established by the board of supervisors for county employees, including those set forth in a memorandum of understanding.

(c) Except as otherwise provided by Sections 31529.9 and 31596.1, the compensation of personnel appointed pursuant to this section shall be an expense of administration of the retirement system, pursuant to Section 31580.2.

(d) The board of retirement and board of supervisors may enter into any agreements as may be necessary and appropriate to carry out the provisions of this section.

(e) Section 31522.2 is not applicable if the retirement system elects to appoint personnel pursuant to this section.

(f) This section shall apply only to the retirement system established under this chapter in San Bernardino County at such time as the board of retirement, by resolution, makes this section applicable in that county.

SEC. 2. Section 31529.9 of the Government Code is amended to read:

31529.9. (a) In addition to the powers granted by Sections 31522.5, 31529, 31529.5, 31614, and 31732, the board of retirement and the board of investment may contract with the county counsel or with attorneys in private practice or employ staff attorneys for legal services.

(b) Notwithstanding Sections 31522.5, 31522.7, 31529.5, and 31580, the board shall pay, from system assets, reasonable compensation for the legal services.

(c) This section applies to any county of the 2nd class, 7th class, 14th class, 15th class, or the 16th class as described by Sections 28020, 28023, 28028, 28035, 28036, and 28037.

(d) This section shall also apply to any other county if the board of retirement, by resolution adopted by majority vote, makes this section applicable in the county.